

Berlin Packaging Denmark A/S

Bækgårdsvej 56
4140 Borup
CVR no. 66 15 28 12

Annual report for 2023

Adopted at the annual general
meeting on 2 April 2024

chairman

Bjarke Rolf Halkjær Arlø

Table of contents

	Page
Statements	
Statement by management on the annual report	1
Independent auditor's report	2
Management's review	
Company details	5
Financial highlights	6
Management's review	7
Financial statements	
Accounting policies	9
Income statement 1 January - 31 December	15
Balance sheet 31 December	16
Statement of changes in equity	18
Cash flow statement 1 January - 31 December	19
Notes	20

Statement by management on the annual report

The supervisory board and executive board have today discussed and approved the annual report of Berlin Packaging Denmark A/S for the financial year 1 January - 31 December 2023.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the company's financial position at 31 December 2023 and of the results of the company's operations and cash flows for the financial year 1 January - 31 December 2023.

In our opinion, management's review includes a fair review of the matters dealt with in the management's review.

Management recommends that the annual report should be approved by the company in general meeting.

Borup, 2 April 2024

Executive board

Bjarke Rolf Halkjær Arlø
CEO

Supervisory board

Hanne Zinck Jørgensen
chairman

Bjarke Rolf Halkjær Arlø

Paul Marcel Schröder

Jacobus Leonardus Franciscus
Altertus Vonk

Independent auditor's report

To the shareholder of Berlin Packaging Denmark A/S

Opinion

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2023, and of the results of the Company's operations and cash flows for the financial year 1 January - 31 December 2023 in accordance with the Danish Financial Statements Act.

We have audited the Financial Statements of Berlin Packaging Denmark A/S for the financial year 1 January - 31 December 2023, which comprise income statement, balance sheet, statement of cash flows, statement of changes in equity and notes, including a summary of significant accounting policies ("financial statements").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the financial statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Independent auditor's report

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

Independent auditor's report

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Hellerup, 2 April 2024

PricewaterhouseCoopers

Statsautoriseret Revisionspartnerselskab
CVR no. 33 77 12 31

Allan Knudsen
State Authorised Public Accountant
mne29465

Henriette Bruun Jørgensen
State Authorised Public Accountant
mne49069

Company details

The company

Berlin Packaging Denmark A/S
Bækgårdsvej 56
4140 Borup

CVR no.: 66 15 28 12

Reporting period: 1 January - 31 December 2023

Domicile: Køge

Supervisory board

Hanne Zinck Jørgensen, chairman
Bjarke Rolf Halkjær Arlø
Paul Marcel Schröder
Jacobus Leonardus Franciscus Altertus Vonk

Executive board

Bjarke Rolf Halkjær Arlø

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Strandvejen 44
2900 Hellerup

Financial highlights

Seen over a 5-year period, the development of the Company may be described by means of the following financial highlights:

	<u>2023</u> TDKK	<u>2022</u> TDKK	<u>2021</u> TDKK	<u>2020</u> TDKK	<u>2019</u> TDKK
Key figures					
Profit/loss					
Gross profit/loss	33.358	24.670	27.550	30.294	25.828
Profit/loss before net financials	3.582	-2.907	-835	5.965	2.469
Net financials	-2.057	-1.592	-1.367	-1.412	-1.182
Profit/loss for the year	1.156	-3.518	-1.599	3.427	997
Balance sheet					
Balance sheet total	79.261	83.214	86.893	83.393	79.948
Investment in property, plant and equipment	5.320	4.800	5.447	4.841	3.282
Equity	18.009	16.853	20.371	21.970	18.543
Number of employees	41	38	38	37	39
Financial ratios					
Solvency ratio	22,7%	20,3%	23,4%	26,3%	23,2%
Return on equity	6,6%	-18,9%	-7,6%	16,9%	5,5%
Return on capital employed	7,2	-5,9	-1,5	10,3	6,6

The financial ratios are calculated in accordance with the Danish Finance Society's recommendations and guidelines. For definitions, see the summary of significant accounting policies.

Management's review

Business review

The main activity of the Company is design, development, manufacturing and sales of standard and specialty packaging.

Recognition and measurement uncertainties

The recognition and measurement of items in the annual report is not associated with any uncertainty.

Financial review

The company's income statement for the year ended 31 December 2023 shows a profit of DKK 1.156.236, and the balance sheet at 31 December 2023 shows equity of DKK 18.008.931.

The result of the year is an improvement of the 2022 results, but is below expectations. During the year the company has maintained all customers but as interests has grown there has been a tendency of general stock reduction in the supply chain which has negatively impacted the sales of 2023. Furthermore certain marked segments have experienced a slow down in sales which has impacted the companies sales and profits.

Significant events occurring after the end of the financial year

No events have occurred after the balance sheet date which could significantly affect the company's financial position.

Targets and expectations for the year ahead

Growth will in the coming years be continuing growth with existing customers but to a higher extend growth through new business development. The results of a more efficient production and supply chain will have a positive effect also on new business and the growth for next year where the expectations are to grow sales by 20% and grow EBITDA by 50%.

Market risks

Main risks in the coming years for the Company are the global development of raw material prices (plastic, glass and metal) and any scarcity of supply. The continuing war in Europe adds risk to the supply chain. Increasing interested add risk for new development products, the continuing run down of stocks and also eventually bare a risk of decreasing consumer spending effecting the demand.

Environmental matters

During the year the company has maintained its certifications within quality management (ISO9001), food safety (ISO22000), health and safety (ISO45001) and also environmental management (ISO14001).

Projects under development have an even increasing focus on environmental issues bring supply chain in proximity of our customers and increasing once again usage of post consumer regrind material in our products.

Management's review

The past year and follow-up on development expectations from last year

Even though sales target for the years were not met, the general gross margin and profit margins have been increased compared with last year and are better than expected. EBITDA-ratio is slightly under expectation. The positive development in profit margin will remain for the coming year and is a result of efficiency improvements in production and throughout supply chain.

Accounting policies

The annual report of Berlin Packaging Denmark A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized class C entities.

The accounting policies applied are consistent with those of last year.

The annual report for 2023 is presented in DKK.

Basis of recognition and measurement

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities. All expenses, including amortisation, depreciation and impairment losses, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow from the company and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. On subsequent recognition, assets and liabilities are measured as described below for each individual accounting item.

Certain financial assets and liabilities are measured at amortised cost using the effective interest method. Amortised cost is calculated as the historic cost less any installments and plus/less the accumulated amortisation of the difference between the cost and the nominal amount.

On recognition and measurement, allowance is made for predictable losses and risks which occur before the annual report is presented and which confirm or invalidate matters existing at the balance sheet date.

Leases

Leases for items of property, plant and equipment that transfer substantially all the risks and rewards incident to ownership to the company (finance leases) are recognised in the balance sheet as assets. On initial recognition, assets are measured at estimated cost, corresponding to the lower of fair value of the leased asset and the present value of the future lease payments. In calculating the net present value of the future lease payments, the interest rate implicit in the lease or the incremental borrowing rate is used as the discount factor. Assets held under finance leases are subsequently depreciated as the company's other non-current assets.

The capitalised residual lease commitment is recognised in the balance sheet as a liability, and the interest element of the lease payment is recognised in the income statement over the term of the lease.

Accounting policies

All other leases are operating leases. Payments relating to operating leases and any other leases are recognised in the income statement over the term of the lease. The company's total liabilities relating to operating leases and other rent agreements are disclosed under 'Contingencies, etc.'

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses. If foreign currency instruments are considered cash flow hedges, any unrealised value adjustments are taken directly to a fair value reserve under 'Equity'.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Fixed assets acquired in foreign currencies are translated at the exchange rate at the transaction date.

Income statement

Gross profit

In pursuance of section 32 of the Danish Financial Statements Act, the company does not disclose its revenue.

Gross profit reflects an aggregation of revenue, changes in inventories of finished goods and work in progress and other operating income less costs of raw materials and consumables and other external expenses.

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Accounting policies

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Expenses for raw materials and consumables

Costs of raw materials and consumables include the raw materials and consumables used in generating the year's revenue.

Other external costs

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Staff costs

Staff costs include wages and salaries, including compensated absence and pensions, as well as other social security contributions, etc. made to the entity's employees.

Depreciation, amortisation and impairment of intangible assets and property, plant and equipment

Amortisation, depreciation and impairment losses comprise the year's amortisation, depreciation and impairment of property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts that relate to the financial year.

Tax on profit/loss for the year

Tax for the year, which comprises the current tax charge for the year and changes in the deferred tax charge, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Tangible assets

Items of plant and machinery and fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The depreciable amount is cost less the expected residual value at the end of the useful life.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use. The cost of self-constructed assets comprises direct and indirect costs of materials, components, sub-suppliers and wages.

Accounting policies

Straight-line depreciation is provided on the basis of the following estimated useful lives of the assets:

	Useful life
Plant and machinery	5-15 years
Other fixtures and fittings, tools and equipment	3-15 years

The useful life and residual value are re-assessed annually. A change is accounted for as an accounting estimate, and the impact on amortisation/depreciation is recognised going forward.

Impairment of fixed assets

The carrying amount of items of property, plant and equipment is tested annually for impairment, other than what is reflected through normal amortisation and depreciation.

Where there is evidence of impairment, an impairment test is performed for each individual asset or group of assets. Write-down is made to the lower of the recoverable amount and the carrying amount.

The recoverable amount is the higher of the net present value and the value in use less expected costs to sell. The net present value is determined as the present value of the anticipated net cash flows from the use of the asset or group of assets and the anticipated net cash flows from the disposal of the asset or group of assets after the end of their useful life.

Inventories

Inventories are measured at cost using the FIFO method. Where the net realisable value is lower than the cost, inventories are recognised at this lower value.

The cost of goods for resale, raw materials and consumables comprises the purchase price plus delivery costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct cost of labour and production/production overheads.

The net realisable value of inventories is calculated as the expected selling price less direct costs of completion and expenses incurred to effect the sale. The net realisable value is determined taking into account marketability, obsolescence and expected selling price movements.

Receivables

Receivables are measured at amortised cost.

Accounting policies

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable is impaired, an impairment loss for that individual asset is recognised.

Prepayments

Prepayments recognised under 'Current assets' comprises expenses incurred concerning subsequent financial years.

Cash and cash equivalents

Cash and cash equivalents comprise cash and deposits at banks.

Income tax and deferred tax

Current tax liabilities and current tax receivables are recognised in the balance sheet as the estimated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and tax paid on account.

Deferred tax is measured according to the liability method in respect of temporary differences between the carrying amount of assets and liabilities and their tax base, calculated on the basis of the planned use of the asset and settlement of the liability, respectively. Deferred tax is measured at net realisable value.

Liabilities

Financial liabilities are recognised on the raising of the loan at the proceeds received net of transaction costs incurred. On subsequent recognition, the financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest method. Accordingly, the difference between the net proceeds and the nominal value is recognised in the income statement over the term of the loan.

Mortgage debt is thus measured at amortised cost, which for cash loans corresponds to the outstanding debt. For bond loans, amortised cost corresponds to an outstanding debt calculated as the underlying cash value of the loan at the time of borrowing, adjusted by amortisation of the value adjustment of the loan at the time of borrowing.

Financial liabilities also include the capitalised residual finance lease commitment.

Other liabilities, which include trade payables, payables to group entities and other payables, are measured at amortised cost, which is usually equivalent to nominal value.

Cash flow statement

The cash flow statement shows the company's cash flows for the year, broken down under cash flows from operating, investing and financing activities, the year's changes in cash and cash equivalents and the company's cash and cash equivalents at the beginning and at the end of the year.

Accounting policies

Cash flows from operating activities

Cash flows from operating activities are stated as the company's profit or loss for the year, adjusted for non-cash operating items, changes in working capital and paid income taxes. Dividend income from investments is recognised under 'Interest income and dividend received'.

Cash flows from investing activities

Cash flows from investing activities comprise payments related to the acquisition and sale of entities and activities as well as intangible assets, property, plant and equipment and investments.

Cash flows from financing activities

Cash flows from financing activities comprise changes in the size or composition of the company's share capital and related costs, as well as the raising of loans, repayment of interest-bearing debt and payment of dividends to shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise cash and short-term securities whose remaining life is less than three months and which are readily convertible into cash and which are subject only to insignificant risks of changes in value.

Financial Highlights

Definitions of financial ratios.

Solvency ratio	$\frac{\text{Equity at year end} \times 100}{\text{Total assets}}$
Return on equity	$\frac{\text{Net profit for the year} \times 100}{\text{Average equity}}$
Return on capital employed	$\frac{\text{EBIT} \times 100}{\text{Employed capital}}$

Income statement 1 January - 31 December

	<u>Note</u>	<u>2023</u> DKK	<u>2022</u> DKK
Gross profit		33.357.973	24.670.215
Staff expenses	1	<u>-22.516.343</u>	<u>-20.748.300</u>
Profit/loss before amortisation/depreciation and impairment losses		10.841.630	3.921.915
Depreciation, amortisation and impairment of intangible assets and property, plant and equipment		<u>-7.259.711</u>	<u>-6.829.349</u>
Profit/loss before net financials		3.581.919	-2.907.434
Financial costs	2	<u>-2.056.764</u>	<u>-1.591.687</u>
Profit/loss before tax		1.525.155	-4.499.121
Tax on profit/loss for the year	3	<u>-368.919</u>	<u>980.635</u>
Profit/loss for the year		<u>1.156.236</u>	<u>-3.518.486</u>
Distribution of profit	4		

Balance sheet 31 December

	<u>Note</u>	<u>2023</u> DKK	<u>2022</u> DKK
Assets			
Plant and machinery		29.684.110	30.775.435
Other fixtures and fittings, tools and equipment		13.796.841	14.123.706
Leasehold improvements		2.579.286	3.100.688
Tangible assets	5	<u>46.060.237</u>	<u>47.999.829</u>
Deposits	6	671.691	450.105
Fixed asset investments		<u>671.691</u>	<u>450.105</u>
Total non-current assets		<u>46.731.928</u>	<u>48.449.934</u>
Raw materials and consumables		2.658.296	3.229.466
Finished goods and goods for resale		10.426.869	12.489.718
Inventories		<u>13.085.165</u>	<u>15.719.184</u>
Trade receivables		11.902.551	16.245.625
Receivables from group enterprises		418.696	686.207
Other receivables		114.957	208.000
Prepayments	7	639.967	736.920
Receivables		<u>13.076.171</u>	<u>17.876.752</u>
Cash at bank and in hand		<u>6.368.020</u>	<u>1.168.048</u>
Total current assets		<u>32.529.356</u>	<u>34.763.984</u>
Total assets		<u>79.261.284</u>	<u>83.213.918</u>

Balance sheet 31 December

	<u>Note</u>	<u>2023</u> DKK	<u>2022</u> DKK
Equity and liabilities			
Share capital		2.250.000	2.250.000
Retained earnings		<u>15.758.931</u>	<u>14.602.695</u>
Equity		<u>18.008.931</u>	<u>16.852.695</u>
Provision for deferred tax	8	<u>2.510.344</u>	<u>2.141.425</u>
Total provisions		<u>2.510.344</u>	<u>2.141.425</u>
Lease obligations		6.350.200	9.024.490
Payables to group enterprises		21.538.532	20.807.134
Other payables		<u>1.376.212</u>	<u>1.317.153</u>
Total non-current liabilities	9	<u>29.264.944</u>	<u>31.148.777</u>
Lease obligations	9	4.191.792	2.893.890
Credit institutions		9.171.148	12.857.395
Prepayments received from customers		193.123	0
Trade payables		12.486.017	12.180.652
Payables to group enterprises	9	364.703	857.338
Other payables		<u>3.070.282</u>	<u>4.281.746</u>
Total current liabilities		<u>29.477.065</u>	<u>33.071.021</u>
Total liabilities		<u>58.742.009</u>	<u>64.219.798</u>
Total equity and liabilities		<u>79.261.284</u>	<u>83.213.918</u>
Contingent liabilities	12		
Charges and security	13		
Related parties and ownership structure	14		

Statement of changes in equity

	<u>Share capital</u> DKK	<u>Retained earnings</u> DKK	<u>Total</u> DKK
Equity at 1 January 2023	2.250.000	14.602.695	16.852.695
Net profit/loss for the year	0	1.156.236	1.156.236
Equity at 31 December 2023	<u>2.250.000</u>	<u>15.758.931</u>	<u>18.008.931</u>

Cash flow statement 1 January - 31 December

	Note	2023 DKK	2022 DKK
Net profit/loss for the year		1.156.236	-3.518.486
Adjustments	10	9.685.394	7.440.401
Change in working capital	11	6.288.048	2.054.578
Cash flows from operating activities before financial income and expenses		17.129.678	5.976.493
Financial expenses		-2.056.765	-1.591.686
Cash flows from operating activities		15.072.913	4.384.807
Purchase of property, plant and equipment		-5.320.118	-4.799.947
Change in deposits		-221.586	-70.545
Cash flows from investing activities		-5.541.704	-4.870.492
Change in loans from credit institutions		-3.686.247	2.070.244
Reduction of lease obligations		-1.376.388	-2.789.747
Change in payables to group enterprises		731.398	1.418.060
Cash flows from financing activities		-4.331.237	698.557
Change in cash and cash equivalents		5.199.972	212.872
Cash at bank and in hand 1 January		1.168.048	955.176
Cash and cash equivalents 31 December		6.368.020	1.168.048
Analysis of cash and cash equivalents:			
Cash at bank and in hand		6.368.020	1.168.048
Cash and cash equivalents 31 December		6.368.020	1.168.048

Notes

	<u>2023</u>	<u>2022</u>
	DKK	DKK
1 Staff expenses		
Wages and salaries	20.472.737	18.816.922
Pensions	2.393.336	2.153.824
Other social security costs	140.296	129.220
Other staff costs	<u>289.974</u>	<u>428.334</u>
	23.296.343	21.528.300
Employee expenses transferred to assets	<u>-780.000</u>	<u>-780.000</u>
	<u>22.516.343</u>	<u>20.748.300</u>
Number of fulltime employees on average	<u>41</u>	<u>38</u>
According to section 98 B(3) of the Danish Financial Statements Act, remuneration to the executive board has not been disclosed.		
2 Financial costs		
Interest paid to group enterprises	685.445	686.181
Other financial costs	1.285.974	888.615
Exchange loss	<u>85.345</u>	<u>16.891</u>
	<u>2.056.764</u>	<u>1.591.687</u>
3 Tax on profit/loss for the year		
Deferred tax for the year	<u>368.919</u>	<u>-980.635</u>
	<u>368.919</u>	<u>-980.635</u>

Notes

	<u>2023</u> DKK	<u>2022</u> DKK	
4 Distribution of profit			
Retained earnings	<u>1.156.236</u>	<u>-3.518.486</u>	
	<u>1.156.236</u>	<u>-3.518.486</u>	
5 Tangible assets			
	<u>Plant and machinery</u> DKK	<u>Other fixtures and fittings, tools and equipment</u> DKK	<u>Leasehold improvement s</u> DKK
Cost at 1 January 2023	67.219.397	34.779.929	13.371.874
Additions for the year	<u>3.380.617</u>	<u>1.879.246</u>	<u>60.255</u>
Cost at 31 December 2023	<u>70.600.014</u>	<u>36.659.175</u>	<u>13.432.129</u>
Impairment losses and depreciation at 1 January 2023	36.443.962	20.656.223	10.271.186
Depreciation for the year	<u>4.471.942</u>	<u>2.206.111</u>	<u>581.657</u>
Impairment losses and depreciation at 31 December 2023	<u>40.915.904</u>	<u>22.862.334</u>	<u>10.852.843</u>
Carrying amount at 31 December 2023	<u>29.684.110</u>	<u>13.796.841</u>	<u>2.579.286</u>
Including assets under finance leases amounting to	<u>26.405.223</u>	<u>0</u>	<u>0</u>

Notes

6 Fixed asset investments

	<u>Deposits</u> DKK
Cost at 1 January 2023	450.105
Additions for the year	<u>221.586</u>
Cost at 31 December 2023	<u>671.691</u>
Carrying amount at 31 December 2023	<u><u>671.691</u></u>

7 Prepayments

Prepayments consist of prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

	<u>2023</u> DKK	<u>2022</u> DKK
8 Provision for deferred tax		
Provision for deferred tax at 1 January	2.141.425	3.122.059
Provision in year	<u>368.919</u>	<u>-980.634</u>
Provision for deferred tax at 31 December	<u><u>2.510.344</u></u>	<u><u>2.141.425</u></u>

Notes

9 Long term debt

	Debt at 1 January 2023 <u>DKK</u>	Debt at 31 December 2023 <u>DKK</u>	Instalment next year <u>DKK</u>	Debt outstanding after 5 years <u>DKK</u>
Lease obligations	11.918.380	10.541.992	4.191.792	0
Payables to group enterprises	20.807.134	21.538.532	0	21.538.532
Other payables	<u>1.317.153</u>	<u>1.376.212</u>	<u>0</u>	<u>0</u>
	<u>34.042.667</u>	<u>33.456.736</u>	<u>4.191.792</u>	<u>21.538.532</u>

10 Cash flow statement - adjustments

	<u>2023</u> <u>DKK</u>	<u>2022</u> <u>DKK</u>
Financial costs	2.056.764	1.591.687
Depreciation, amortisation and impairment losses, including losses and gains on sales	7.259.711	6.829.349
Tax on profit/loss for the year	<u>368.919</u>	<u>-980.635</u>
	<u>9.685.394</u>	<u>7.440.401</u>

11 Cash flow statement - change in working capital

Change in inventories	2.634.019	3.934.546
Change in receivables	4.800.581	-2.001.155
Change in trade payables, etc.	<u>-1.146.552</u>	<u>121.187</u>
	<u>6.288.048</u>	<u>2.054.578</u>

Notes

12 Contingent liabilities

The Company has rent commitments of TDKK 7.872 at 31 December 2023.

The Company's contractual lease commitments, which are not recognized in the balance at 31 December 2023, amounts to TDKK 28.

13 Charges and security

As collateral for debt to banks and other credit institutions, the Company has issued mortgage deeds of a total of TDKK 24.000, which give security in Plant and machinery with a total accounting value of TDKK 29.684, Other fixtures and fittings, tools and equipment with a total accounting value of TDKK 13.797, Trade Receivables with a total accounting value of TDKK 11.903 and Inventory with a total accounting value of TDKK 13.085.

Trade receivables with a total accounting value of TDKK 16.246 have been given as collateral for debt to banks of TDKK 12.857.

The parent company has provided security to the Company's credit institution. This guarantee involves any present and future obligation which the Company has or may have towards the credit institution.

Notes

14 Related parties and ownership structure

Controlling interest

Berlin Packaging Holding Netherlands B.V. Main shareholder

Transactions

The Company has chosen only to disclose transactions that have not been made on an arm's length basis in accordance with section 98(c) (7) of the Danish Financial Statements Act.

Consolidated financial statements

The company is included in the group report as the parent company Berlin Packaging Holding Netherlands B.V.

The group report of Berlin Packaging Holding Netherlands B.V. can be obtained at the following address:

Berlin Packaging Holding Netherlands B.V.
Bijsterhuizen 2401
6604LK Wijchen

15 Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.